



Public Service Commission of Wisconsin

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WEPCO Allowed Rate Increase for Construction Projects

MADISON – The Public Service Commission of Wisconsin (PSC) approved a rate increase of \$54 million for Wisconsin Electric Power Company to pay for construction costs of new projects.

On a unanimous vote, the Commission approved costs for building the new natural gas-fired power plant at Port Washington and the new coal-fired power plant in Oak Creek to be recovered in rates. In addition, costs for an energy efficiency program to encourage customers to reduce their demand at peak times were included in the rate increase. Residents will see a 3.2% increase on their utility bill, or about \$2.00 more per month.

In approving the new rates today, the Commission noted the importance of the new construction projects to Wisconsin's future electric reliability. The new generation is essential for meeting the growth in demand for electricity in Wisconsin.

The Commission allowed only the costs the utility has incurred for the Elm Road Generating Station in Oak Creek through November 30, 2004, due to the Dane County Circuit Court decision issued on November 29, 2004, vacating PSC approval of the project. The case is currently before the Wisconsin Supreme Court.

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